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DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Water Rights

JERRY D. OLDS
State Engineer/Division Director

February 27, 2008

Keith James, Chairman
Milford Distribution System
PO Box 285
Milford UT 84751

Re: April McKeon's additional salary

Dear Keith:

I thought it would be a good idea to confirm in writing the changes that were made during the annual meeting on February 21, 2008 to April McKeon's salary as one of the co-commissioners for the Milford Distribution System and the reason for those changes.

The water users desired to hire April as a consulting engineer to do some investigation work of water use and potential water right violations in Beaver Valley. They expressed a desire to pay her on a contractual basis from the distribution system funds. According to IRS regulations the Division of Water Rights cannot pay someone as both an employee and as a contractor. Therefore, since April is on the state payroll as a co-commissioner, I explained that we could not pay her an additional amount based on a contract.

The work that the water users desire April to perform in this regard is outside the duties and responsibilities of a water commissioner as described in R655-15 Administrative Rules for Distribution Systems and Water Commissioners. However, the Division desires to be supportive of the water users in their efforts to protect the water resources of their distribution system, therefore we agreed to allow April's salary to be increased by \$2000 to cover the cost of this extra work.

It should be understood that when April is acting in this capacity, gathering information in Beaver Valley, she is not acting as a Milford water commissioner but as a consulting engineer hired by the Milford water users.

If you have any questions regarding this letter please contact me by phone at (801) 538-7380 or by e-mail at LeeSim@utah.gov.

Sincerely

Lee H. Sim, P.E.
Assistant State Engineer for Field Services

cc: April McKeon, Water Commissioner

